

Conference on Prosthetics Mozambique

July 1-7, 1996

by

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From July 1-7, 1996 I visited Mozambique to attend the National Seminar on

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Physical Medicine and Rehabilitation held at a national training and conference center outside Maputo. The meeting was supported by USAID through the Cooperative Agreement with POWER. (The costs were planned under the Handicap International grant but outstanding audit questions prevented AID from making available the funding through their grant). During the visit I also looked into Handicap International's audit issues with AID and discussed these along with POWER's working situation with the AID General Development Officer & the Acting AID Director. I was also able to hold extensive discussions with POWER mostly centered on their cooperative agreement scope of work and their relations with the Ministry.

1. The National Seminar on Physical Medicine and Rehabilitation.

The original announced purpose of the meeting was to discuss the long term future of the Mozambican Prosthetics program. It was conceived as a policy meeting focussed on program planning and finance. As it turned out the meeting was more of a technical session that included the leadership of the MOH Physical Health and Rehabilitation team from Maputo and the provinces. The sessions focussed on such issues as physical infrastructure and training needs, program logistics, professional needs of the prosthetist's/orthotist's and coordination with the Ministry of Social Action. Donors were asked to contribute to the agenda (AID suggested technology and finance; the MOH selected only technology). Donors were invited to the sessions as observers and made no formal presentations. Because of their close relationship with the Ministry, HI was heavily involved in planning for the meetings and in the working group sessions. USAID and POWER received the final agenda the day before the meetings.

2. Differing Visions of the Future

A. The Ministry of Health

While the seminar did not cover some of the topics that we had hoped, it served to ably describe the MOH's vision of the P/O program in the future - and the gap between the Ministry's and AID's (and POWER's) thinking.

From the planning document for the seminar and the organization charts distributed before the meetings it seems clear the MOH has a long term vision of a government run national program that they manage and (probably with donor help) finance. They plan an integrated national physical medicine and rehabilitation service that provides quality care through a corps of trained people. The program would be decentralized to some degree by regions through the regional hospital directors. They currently appear to be favoring keeping both the HI and ICRC/Power technologies adapting these to local conditions (e.g. HI would be favored in areas where there is no electrical power) and patient preferences. A high priority appears to be regaining control of the program from the NGOs - perhaps a legacy of the highly autonomous ICRC program. The MOH appears to see the donor role as assisting Mozambique to build an effective public sector institution. However, it is not clear how this program would be

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financed beyond 1998/99 when EU & AID support is scheduled to be completed.

POWER

POWER contends that the long term future for prosthetics programs in the Third World is through NGOs. They reason that prosthetics is a specialized and expensive activity that serves a relatively small population. In a non-war emergency situation it will have difficulty competing for resources with other MOH activities. As the budget shrinks the quality of the current services will deteriorate, trained staff will be lost and the overall program will erode to a point that it is no more effective than other government health services. They cite South Africa as a current example where shifts in priority to primary health care and the resulting loss in prosthetics budget is currently causing a significant deterioration in the quality and coverage of their prosthetics programs. They anticipate that in Mozambique their 1995/6 prosthetics production will be 25% lower than in 1992 when the ICRC employee incentives were available.

POWER sees the solution as a non profit foundation supervised at a policy level by the government but operating outside the MOH , capable of paying market wages and achieving administrative efficiencies not possible in the public sector. The elements of their proposal is contained in their 6 months report

POWER believes that what they signed up to do for AID and the MOH was to take the four operating prosthetics centers started by and acquired from the ICRC and transform them into self-sustaining units. In order to have the best chance to achieve this objective POWER insisted on management control of the centers in the scope of their grant agreement. The MOH most reluctantly agreed to language giving POWER management responsibility. In practice the issue of management responsibility has become a source of significant tension between POWER and the MOH as they pull in different directions to achieve their competing program visions.

An emerging issue is the plan by MOH to merge the two Nampula clinics (one HI and one run by POWER) into a single unit managed by the hospital director . A coordinated plan is supposed to be ready in 45 days.

If the current trend of the government to achieve a centralized government managed prosthetics service continues POWER will not be able to achieve their agreed scope of work. Under these circumstances they may wish to withdraw from Mozambique, or scale back their end product. Such a change in scope has important implications for AID's long term responsibility for Mozambique prosthetics funding after 1998.

3.Next Steps

It is important that these basic policy issues be resolved . Both the MOH and POWER are behaving reasonably considering their differing program objectives. As

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POWER'S program sponsor AID needs to ensure that POWER has a satisfactory working situation based on a degree of mutuality with the MOH on program objectives which at present does not currently exist. To this end I have recommended to AID and POWER the following course of action:

POWER should continue to work to develop the foundation/NGO proposal, working particularly the Ministries of Health Planning and Finance on overall health budget prospects, the recurrent cost requirement to sustain the current program (current estimates for the POWER and HI managed activities total a little less than \$1 million annually), the specifics that sustain their argument that the foundation is a better approach - where has this been in fact accomplished and where if at all has it failed-, along with a strategy to educate the MOH to this approach. It is my impression that POWER is not experienced in the technical assistance process and thus does not sufficiently appreciate the complexity of the educational task involved in convincing a country with a socialist legacy to consider a non-public sector approach.

When this planning task is completed (estimated October 1996) you and the USAID mission should approach the MOH at the highest policy level to consider the foundation approach as a long range alternative to prosthetics program sustainability. Based on the outcome of these meetings AID the MOH and POWER should determine POWER'S future Mozambique role along with AID's longer term funding responsibility for the Mozambique prosthetics program.

While this planning and strategy task is underway POWER should make a strong effort to work as collaboratively as possible with the ministry.

USAID and POWER agree to the above approach. The General Development Officer, Laura Sloby, will be on Home Leave between July and September. She has agreed to take the leadership for the mission in exploring the foundation/NGO approach for prosthetic sustainability with the Ministry of Health.

4. Handicap International's Audit Problems.

As matters now stand AID has refused to provide any additional funds to Handicap International in Mozambique because they have apparently failed to clear some questions on their 1991-92 audit. A PIO/T in FY 1996 funds is currently "on hold" pending the resolution of these issues. HI's International Director who is currently in Mozambique has protested this action through the French Embassy. A meeting to discuss these matters between USAID and the French HI staff is scheduled for Thursday, July 11.

As requested I looked into the HI audit issue. Unfortunately, the AID Controller's staff member responsible for this matter was away during the week I was in Maputo and I had to rely on the health office's files for information. They may not be current and complete.

As best as I could reconstruct the matter, the issue seems to center in part and perhaps in totality on the absence of supporting data for disbursements made in France

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that are charged to the project. One major issue is salaries. HI pays their international staff partially (1991) and entirely (1992) in France. An Ernst and Young, Maputo project audit found no supporting data to verify the French portion of the salary expenditures in the Maputo HI offices and disallowed them. For reasons that are not clear during the past year the necessary supporting data were either not supplied or not supplied to AID's satisfaction. As a result the Nairobi auditors suggested that the questionable payments be charged against outstanding HI vouchers. The subsequent failure by HI to provide acceptable audits to AID for 1993 & 1994 led the USAID Controller to reject the current PIO/T and stop further disbursements.

It is very unfortunate that the current situation has been allowed to reach this state of affairs - which is as much a responsibility of the USAID project manager as it is the Controller. HI has demonstrated itself to be a responsible organization and I have every confidence that the supporting documentation in question can be assembled. Some of the salaries of the professional staff in question are long term technicians on the HI project staff that are currently in Mozambique. I can only despair that this unfortunate episode has damaged a productive collaboration which has produced many fine program results.